

House File 344 - Introduced

HOUSE FILE 344

BY PETTENGILL

A BILL FOR

- 1 An Act prohibiting the disclosure of personal or
- 2 employment-related information except under specified
- 3 circumstances, and providing penalties.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 91B.2, Code 2013, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 2A. *a.* An employer shall not provide
4 work-related information, including but not limited to
5 information contained in the employee's personnel file and
6 salary level, to any individual or entity except at the request
7 or authorization of the employee or former employee.
8 *b.* A person who violates this subsection shall be guilty of
9 a simple misdemeanor. In addition, the commissioner of labor
10 shall assess a civil penalty against the person in an amount
11 not greater than five thousand dollars.
12 *c.* This subsection shall not apply to the provision of
13 work-related information to a federal, state, or local law
14 enforcement official pursuant to or in the course of a criminal
15 investigation.

16 Sec. 2. NEW SECTION. 733.1 **Definitions.**

17 For the purposes of this chapter, unless the context
18 otherwise requires:

19 1. "*Business entity*" means a person, corporation,
20 association, partnership, limited liability company, limited
21 liability partnership, or any other legal entity engaged in or
22 offering for sale any goods or services in this state.

23 2. "*Customer information*" means an individual's first
24 name or first initial and last name in combination with the
25 individual's residential address, business address, internet
26 address, or telephone number. "*Customer information*" does not
27 include information that is lawfully obtained from publicly
28 available sources, or from federal, state, or local government
29 records lawfully made available to the general public.

30 Sec. 3. NEW SECTION. 733.2 **Business entities —**
31 **communication prohibition.**

32 A business entity shall not communicate or cause to be
33 communicated in any form or manner an individual's customer
34 information to another business entity unless the individual
35 is included on the customer information sharing database

1 established in section 733.3.

2 Sec. 4. NEW SECTION. **733.3 Customer information sharing**
3 **database.**

4 1. The attorney general shall establish and provide for the
5 operation of a database containing a list of individuals who do
6 not object to the communication of the individual's customer
7 information from one business entity to another business entity
8 for marketing, solicitation, or customer-sharing purposes.
9 There shall be no cost to the individual for electing to be
10 included in the database.

11 2. Information contained in the information sharing
12 database established in subsection 1 shall be used only for
13 the purpose of compliance with section 733.2 and this section.
14 Such information shall not be considered a public record for
15 the purposes of chapter 22.

16 Sec. 5. NEW SECTION. **733.4 Rules — access fees.**

17 The attorney general shall adopt rules pursuant to chapter
18 17A to govern the establishment of a customer information
19 sharing database and to administer this chapter. The rules
20 shall include all of the following:

21 1. The methods by which an individual may give notice to
22 the attorney general of the individual's election to be listed
23 in the customer information sharing database and revocation of
24 such election.

25 2. The length of time for which an election shall be
26 effective.

27 3. The methods by which notices and revocations shall
28 be collected and information added to or deleted from the
29 database.

30 4. The methods by which a business entity may obtain
31 access to the database, including any fees for such access.
32 The attorney general may utilize any fees collected for the
33 purposes of establishing and operating the customer information
34 sharing database.

35 Sec. 6. NEW SECTION. **733.5 Violations — penalties.**

1 A violation of this chapter is an unlawful practice
 2 under section 714.16, subsection 2, paragraph "a". All the
 3 powers conferred upon the attorney general to accomplish the
 4 objectives and carry out the duties prescribed pursuant to
 5 section 714.16 are also conferred upon the attorney general to
 6 enforce this chapter, including seeking injunctive relief and
 7 civil penalties.

8 EXPLANATION

9 This bill relates to the disclosure of personal or
 10 employment-related information.

11 The bill states that an employer shall not provide
 12 work-related information, including but not limited to
 13 information contained in an employee's personnel file and
 14 salary level, to any individual or entity except at the request
 15 or authorization of the employee or former employee. The bill
 16 provides that a person who violates this prohibition is guilty
 17 of a simple misdemeanor punishable by confinement for no more
 18 than 30 days or a fine of at least \$65 but not more than \$625
 19 or by both, and that in addition the commissioner of labor
 20 shall assess a civil penalty against the person in an amount
 21 not greater than \$5,000. The bill adds that this prohibition
 22 does not extend to disclosure to federal, state, or local law
 23 enforcement personnel.

24 The bill provides that a business entity shall not
 25 communicate or cause to be communicated in any form or manner
 26 an individual's customer information to another business entity
 27 unless the individual is included on a customer information
 28 sharing database established in the bill. The bill defines a
 29 "business entity" to mean a person, corporation, association,
 30 partnership, limited liability company, limited liability
 31 partnership, or any other legal entity engaged in or offering
 32 for sale any goods or services in this state. The bill
 33 defines "customer information" to mean an individual's first
 34 name or first initial and last name in combination with the
 35 individual's residential address, business address, internet

1 address, or telephone number. The bill states that "customer
2 information" does not include information that is lawfully
3 obtained from publicly available sources, or from federal,
4 state, or local government records lawfully made available to
5 the general public.

6 The bill directs the attorney general to establish and
7 provide for the operation of a database containing a list of
8 individuals who do not object to the communication of the
9 individual's customer information from one business entity
10 to another business entity for marketing, solicitation, or
11 customer-sharing purposes. The bill provides that there shall
12 be no cost to the individual electing to be included in the
13 database, and that information contained in the database shall
14 not be considered a public record for the purposes of Code
15 chapter 22.

16 The bill requires the attorney general to adopt rules
17 governing operation of the database, including the methods by
18 which an individual may give notice to the attorney general
19 of the individual's election to be listed in the database and
20 revocation of such election, the length of time for which an
21 election shall be effective, the methods by which notices
22 and revocations shall be collected and information added or
23 deleted, and the methods by which a business entity may obtain
24 access to the database, including any fees for such access.
25 The bill authorizes the attorney general to utilize any fees
26 collected for the purposes of establishing and operating the
27 customer information sharing database.

28 The bill provides that a violation of the business entity
29 disclosure requirements constitutes an unlawful practice under
30 Code section 714.16, subsection 2, paragraph "a". Violations
31 of unlawful practice provisions are subject to imposition
32 by the attorney general of a civil penalty not to exceed
33 \$40,000 per violation, and additionally a civil penalty of
34 not more than \$5,000 for each day of intentional violation
35 of a temporary restraining order, preliminary injunction, or

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1 permanent injunction.